provisions of the respective PSCs), based on either the Investment Multiple (IM) achieved under the PSC or in some cases on Post Tax Rate of Return (PTRR). The ratio or share of profit petroleum at various levels of IM is specified in the respective PSCs, and fixed on the basis of international competitive bidding at the time of award of the block.

The Government share increases progressively as the IM increases. IM is calculated on a cumulative basis and is a ratio of net revenue to investment (where investment includes all exploration costs and development costs).

Allocation of kerosene to Jammu and Kashmir

*236. SHRI T.S. BAJWA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that supply of kerosene oil has been reduced for Jammu and Kashmir;

(b) if so, the reasons therefor; and

(c) how Government propose to meet the demand of public?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c) As per the policy adopted by the Government of India, the Kerosene allocation for distribution under Public Distribution System (PDS) to various States/Union Territories including Jammu and Kashmir was reduced every year beginning 2001-02 and till 2004-05, taking into account the number of LPG connections released in each of the States/ Union Territories.

In view of the requests received from various State Governments for increasing the allocation, the Government of India have commissioned the first ever detailed study of Kerosene demand in the country, through the National Council of Applied Economic Research (NCAER) in December, 2004. The final report of NCAER is expected by September, 2005.

Pending the report of NCAER, and taking a view thereupon, allocations have been maintained for the year 2005-06, at the level of 2004-05, including additional allocations made during that year to meet emergency/urgent demands for PDS Kerosene in States/Union Territories. The decision about rationalizing the allocation of PDS kerosene among States/Union Territories would be taken after examining the NCAER report.